

ORIGINAL

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EX PARTE OR LATE FILED

September 15, 1999

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

EX PARTE

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals
455 12th Street, S.W.
Washington, D.C. 20554

Re: In the Matter of CC Docket 96-128/ Implementation of the Pay Telephone
Reclassification and Compensation Provisions of the Telecommunications Act of
1996; NSD-L-98-147: Requests by SBC, Southern New England Telephone and
GTE to Extend Waiver of Coding Digit Requirement

Dear Ms. Salas:

On September 14, 1999, William Brown, Carey Caldwell, Ken Donnell and the undersigned of SBC met with Marty Schwimmer and Robin Smolen of the Network Services Division, and Judith Nitsche, John Stover, Calvin Howell, Al Barna, Renee Terry and Lynne Milne of the Competitive Pricing Division to discuss the issues on the attached document. Specifically, the discussion concerned the timing of SBC's cost recovery of its Flex ANI implementation. The approximate dates are: Pacific Bell, November, 1999; Nevada Bell, December, 1999; and Southwestern Bell Telephone Company, October. In addition, SBC presented a status of Flex ANI in its networks and discussed the exparte filed by MCI on April 27, 1999.

In accordance with 47 C.F.R. 1.1206(a)(1) of the Commission's rules, the original of this letter and one copy are being filed with your office for inclusion in the public record. Acknowledgment and date of receipt are requested. A duplicate of this letter is included for this purpose.

Please direct any inquiries concerning the foregoing to the undersigned.

Sincerely,

Attachment

CC: All meeting attendees

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FLEX-ANI

I. PSP ANI CODING DIGITS

SWBT - TARIFFED, IMPLEMENTED

PACIFIC - TARIFFED, IMPLEMENTED

NEVADA - TARIFFED, IMPLEMENTED

SNET - TARIFFED, IMPLEMENTED

Implementation was completed in SWBT/PB/NB on or before June 9, 1998.

Tariffs went into effect for SWBT/PB/NB on 09/23/98 and are in effect for 24 months.

The rate for SWBT is \$2.03 per payphone per month. The rate for PB is \$2.45 per payphone per month. The rate for NB is \$1.67 per payphone per month.

Implementation was completed in SNET on or before May 30, 1999. Tariffs went into effect for SNET on 07/16/99 and are in effect for 48 months. The rate for SNET is \$3.00 per payphone per month.

II. RE-EVALUATION OF COSTS

- TARIFF REQUIREMENT
- STATUS OF COST RECOVERY

For SWBT/PB/NB the FCC require: "Within twelve (12) months from the effective date of this tariff revision, the Telephone Company will re-evaluate the costs and adjust the rate downward coincident with any downward changes in costs."

SWBT/PB/NB anticipate recovery of actual costs during the 4th Qtr. 1999 and 1st Qtr. 2000. SWBT/PB/NB could stop billing the PSPs during the 4th Qtr. 1999 and 1st Qtr. 2000 if the 800 Tandem and 800 to POTS projects are not implemented.

For SNET no stipulations were placed on the tariff. This issue does not apply to SNET.

III. REVIEW OF ISSUES RELATED TO 800 CALL TYPES

- 800 TANDEM SCREENING
- 800 TO POTS

Tandem Screening:

SWBT/PB/NB/SNET has Flex ANI turned on at all of its tandems and is passing Flex ANI to all IXC's and, in this regard, has complied with the Commission's order. Since SBC filed its waiver back in December, there has been an increase in the IXC ordering of Flex ANI (i.e., AT&T, MCI and Sprint) and there have been no complaints from consumers or IXC's regarding this issue. Therefore, as shown in SBC's sample attached in its 1/20/99 ex parte, SWBT/PB/NB/SNET believes this issue is moot.

800 To POTS:

Most of the 800 to POTS calls are generated by SWBT/PB/NB/SNET. Only one IXC call was captured in SBC's sample attached in its 1/20/99 ex parte. SWBT/PB/NB/SNET uses other means than Flex ANI technology to identify compensable 800 To POTS calls. Each 800 To POTS call originating from a payphone is captured in a database. Class of service of originating telephone number is used to identify it as originating from a payphone. SWBT/PB/NB/SNET have had no complaints from consumers, or IXC's or for payment to PSPs. Payment is reflected as a credit on the PSP's bill.

IV. RESOLUTION OF TARIFF ADJUSTMENTS

SWBT/PB/NB does not want to be in an over-recovery or under-recovery situation. SWBT/PB/NB would like to remove its PSP charge from its tariffs as they reach full cost recovery of the costs spent.

SWBT/PB/NB believes that incurring the additional costs associated with the 800-Tandem -Screening and 800-To-POTS projects is not in the public interest and would be a waste of resources.

If the additional costs are not incurred, SWBT/PB/NB could stop billing the PSP charge during the 4th Qtr. 1999 and 1st Qtr. 2000.

The tariff adjustment issue does not apply to SNET.

V. PAYPHONE CODING DIGITS - CURRENT STATUS

- MEASURES TAKEN BY ALL SBC COMPANIES TO INSURE FLEX ANI ACCURACY

ACCESS SERVICE REQUEST (ASR) PROCESS USED FOR FLEX ANI IMPLEMENTATION

At the request of the IXC's, the LECs modified the ordering process to activate Flex ANI for IXC's. As a result, errors occurred in the processing of orders and these errors have now surfaced (see, MCI 4/22/99 ex parte letter).

We are working to correct these problems. We have reinstated the Access Service Request (ASR) process. We have revisited all orders requesting Flex ANI. We have verified what was ordered and corrected any errors found.

ALL IXC COMMON BLOCKS CHECKED TO INSURE
FLEX-ANI TURNED ON FOR ALL CICS ORDERED

SBC has completed a review of all of its End Offices and Tandems where Flex ANI was ordered to insure that the Common Blocks were turned on.

RESEARCHING ANY PAYPHONE NUMBER THAT IXC
CLAIMS NOT RECEIVING "70" DIGIT

We have obtained lists from AT&T and MCI of payphone numbers that AT&T and MCI have claimed they are not receiving proper Flex ANI digits. With the IXCs, we are currently working through those lists. If we find a problem is with SWBT/PB/NB/SNET, we identify the problem and fix it.

TESTING WITH IXCS TO INSURE "70" RECEIVED BY
THEM

When Flex ANI was implemented, field tests were conducted with AT&T to determine the proper passing of Flex ANI from specific switch types. These tests were initially conducted in NB and, later, in SWBT. Laboratory tests were conducted at PB.

TESTING WITH PSPS TO INSURE "70" RECEIVED BY
IXCS

We test and repair PSP lines as PSPs report problems to our repair centers. For example, if a PSP notifies an SBC company that an IXC is not paying, we verify the line for the existence of Flex ANI.

VI. SUMMARY

SWBT/PB/NB/SNET are compliant with the FCC Payphone Order.

Tandem-Screening and 800-To-POTS traffic is insignificant and a moot issue.

SWBT/PB/NB/SNET will continue working to fix any problems associated with FLEX ANI.